

**STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS
SECURITIES DIVISION**

IN THE MATTER OF DETERMINING
Whether there has been a violation
of the Securities Act of Washington by:

One Share of Stock, Inc. dba OneShare.com,
Lance Francis Lee, its owners, principals,
officers, agents and employees,

Respondents.

S-02-315-03-CO01

Consent Order

Case No. S-02-315

THE STATE OF WASHINGTON
TO:

One Share of Stock, Inc. dba OneShare.com
Lance Francis Lee, CEO
3450 Third Street, Building 1D
San Francisco, California 94124

INTRODUCTION

Pursuant to the Securities Act of Washington, the Securities Division, Department of Financial Institutions, and Respondents, One Share of Stock Inc. dba OneShare.com and Lance Francis Lee, do hereby agree to this Consent Order in settlement of the above captioned matter. Respondents neither admit nor deny the Findings of Fact or Conclusions of Law as set forth below.

CONSENT ORDER

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4 **FINDINGS OF FACT**

5 I. Respondents

- 6 1. One Share of Stock, Inc. dba OneShare.com ("OneShare") is a California corporation with its
7 principal place of business at 3450 Third Street, Building D, San Francisco, California
8 94124.
9 2. Lance Francis Lee ("Lee") is the CEO and founder of OneShare.

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11 II. Nature of the Offering

- 12 1. OneShare maintains a website located at www.oneshare.com. This website is available to
13 residents of the State of Washington. Through the website, OneShare offers viewers the
14 ability to purchase one share of stock from a list of approximately 85 available stocks. These
15 stocks are listed on major US markets and are exempt from registration in Washington.
16 2. Prior to September 25, 2002, the website advertised a "Top 10 List" and a "Stock of the
17 Month".
18 3. The website charged purchasers a fee of \$39, called the "OneFee". The website described the
19 OneFee as:
20
21 a bundled fee that allows us to obtain your one share of stock without charging
22 you separate "piece-meal" fees and charges. No brokerage can beat our
23 OneFee™! This fee includes all the separate fees and commissions needed to:
24 Buy the stock, register the shareholder on record, and obtain the certificate
unfolded. The OneFee™ is applied per each individual stock purchased.

1 The OneFee price to purchasers was often substantially greater than the underlying
2 price of the single share of stock based on the stock's current market value.

- 3 4. Although, OneShare sold certificates in decorative frames, it was possible to purchase
4 the stock certificate independent of the frame.
- 5 5. OneShare failed to disclose certain material information to the purchaser. OneShare
6 failed to disclose its position in the transaction. Upon selling the stock to the
7 purchaser, OneShare failed to disclose if it is acting as a broker or a dealer, an agent
8 or a principal.

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10 **III. Registration Status**

- 11 1. One Share of Stock, Inc. dba OneShare.com is not currently registered as a broker-dealer in
12 the state of Washington and has not previously been so registered.
- 13 2. Lance Francis Lee is not currently registered as a securities salesperson or broker-dealer in the
14 State of Washington and has not previously been so registered.

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17 Based upon the above Findings of Fact, the following Conclusions of Law are made:

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20 **CONCLUSIONS OF LAW**

21 **I.**

22 The offer and/or sale of stock described above constituted the offer and/or sale of a security as
23 defined in RCW 21.20.005(10) and (12), to wit: stock.

24
25 **CONSENT ORDER**

II.

The offer and/or sale of said securities was made in violation of RCW 21.20.010 because OneShare and Lee failed to provide full disclosure of material facts to prospective purchasers.

III.

One Share of Stock, Inc. dba OneShare.com and Lance Francis Lee violated RCW 21.20.040 by offering and/or selling said securities while not registered as a securities salespersons or broker-dealers in the state of Washington or exempt from any such registration in the state of Washington.

CONSENT ORDER

Based upon the foregoing:

IT IS THEREFORE AGREED AND ORDERED that One Share of Stock, Inc. dba OneShare.com and Lance Francis Lee each shall cease and desist from acting as securities salespersons or broker-dealers in the state of Washington in violation of RCW 21.20.040.

IT IS FURTHER AGREED AND ORDERED that One Share of Stock, Inc. dba OneShare.com and Lance Francis Lee each shall cease and desist from the offer and sale of securities in the State of Washington in violation of RCW 21.20.010.

IT IS FURTHER AGREED that One Share of Stock, Inc. dba OneShare.com and Lance Francis Lee shall be jointly and severally liable for and shall pay the Securities Division five thousand dollars (\$5,000) as a fine for alleged violations. Said payment must be made to the Division prior to the entry of this Order.

CONSENT ORDER

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1 IT IS FURTHER AGREED that One Share of Stock, Inc. dba OneShare.com and Lance Francis
2 Lee shall be jointly and severally liable for and shall pay the Securities Division one thousand dollars
3 (\$1,000) for its costs incurred in its investigation of this matter. Said payment must be made to the
4 Division prior to the entry of this Order.

5 IT IS FURTHER AGREED that the Securities Division has jurisdiction to enter this Order.

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7 In consideration of the foregoing, One Share of Stock, Inc. dba OneShare.com and Lance Francis
8 Lee, waive their right to a hearing in this matter and to judicial review of this Order.

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11 **WILLFUL VIOLATION OF THIS ORDER IS A CRIMINAL OFFENSE.**

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13 SIGNED this 10 day of July, 2003.

14 Signed by:

15 One Share of Stock, Inc. dba OneShare.com

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18 By 

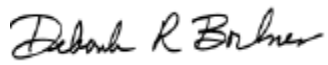
Lance Francis Lee, President

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21 Signed by:

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23 
24 Lance Francis Lee, individually

25 **CONSENT ORDER**

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7 DATED this 23RD day of July, 2003.
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12 DEBORAH R. BORTNER
13 Securities Administrator

14 Presented by:

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18 Susan H. Anderson
19 Financial Legal Examiner

20 Approved by:

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23 Michael E. Stevenson
24 Chief of Enforcement

25 CONSENT ORDER
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